



Washington State Auditor's Office

Troy Kelley

Integrity • Respect • Independence

Accountability Audit Report

Housing Authority of the City of Longview

Cowlitz County

For the period October 1, 2011 through September 30, 2013

Published December 31, 2014

Report No. 1013376





Washington State Auditor Troy Kelley

December 31, 2014

Board of Commissioners
Housing Authority of the City of Longview
Longview, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Housing Authority operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our report on the Housing Authority's compliance and safeguarding of public resources. Our independent audit report describes the overall results and conclusions for areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

TROY KELLEY
STATE AUDITOR

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AUDIT SUMMARY

Results in brief

In most areas we audited, Housing Authority operations complied with applicable requirements and provided adequate safeguarding of public resources. The Housing Authority also complied with state laws and regulations and its own policies and procedures in the areas we examined.

However, we noted certain matters that we communicated to the Housing Authority management in a letter dated December 29, 2014, related to compliance with procurement requirements and internal controls over compliance with prevailing wage requirements. We appreciate the Housing Authority's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of the Housing Authority of the City of Longview from October 1, 2011 through September 30, 2013.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the Housing Authority's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Financial sustainability
- Lilac Place tax credit partnership
- Compliance with prevailing wage requirements
- Procurement of public works projects
- Tenant cash receipting and rental billings
- General disbursements
- Payroll and benefits
- Open Public Meetings Act

RELATED REPORTS

Financial

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available from the Housing Authority of the City of Longview.

Federal grant programs

A firm of certified public accountants evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Housing Authority's major federal programs. That firm's report is available from the Housing Authority of the City of Longview. That report includes a federal finding regarding noncompliance with Housing Quality Standards requirements with the Section 8 Housing Choice Voucher Program.

INFORMATION ABOUT THE HOUSING AUTHORITY

The Longview Housing Authority was created in 1976 by the city of Longview's Council to provide housing assistance to people with low incomes. The Housing Authority provides maintenance, improvements, extensions and repairs. It can also purchase or construct new housing facilities. Currently the Housing Authority operates 17 housing projects including subsidized, special needs housing and unsubsidized properties, and administers more than 1,387 housing assistance vouchers. The Housing Authority provides services in Cowlitz, Wahkiakum, Lewis and Pacific counties.

An appointed, six-member Board of Commissioners governs the Housing Authority. The Mayor of the city of Longview appoints the Board Members to staggered, five-year terms. The Resident Commissioner serves a two-year term. The Board appoints an Executive Director to oversee the District's day-to-day operations as well as its 47 employees. The housing authority operating on a budget of \$12,503,927 and \$12,571,982 for FY12 and FY13 respectively.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Housing Authority of the City of Longview at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

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